Air fares competition

†2827. SHRI R.S. GAVAI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that many domestic airlines place advertisement in the newspapers regarding fares;

(b) whether it is also a fact that many a time these advertisements are misguiding;

(c) whether it is a fact that many domestic airlines companies have entered Indian skies and a kind of price war has begin;

(d) whether it is also a fact that this situation can lead to bankruptcy of many companies that amounts to loss to Indian aviation industry;

(e) if so, whether Government propose to fix minimum fare on each domestic sector;

(f) if so, the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) No such complaint has been received in the recent past.

(c) to (g) Domestic air fares are not regulated by the Government after the repeal of Air Corporation Act 1953. Domestic airlines are free to charge air fares in their commercial judgement as per the market forces. The airlines are operating in highly competitive market. It is the Government's view that the market forces should be allowed full play for better passenger amenities at competitive prices.

Subsidy on airservices of North-Eastern States

2828. SHRI S.P.M. SYED KHAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government's efforts in making availability of airservices in the North-East and other inaccessible areas are lagging behind the expectations;

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†Original notice of the the question was received in Hindi.